

# MANUFACTURING EXTENSION PARTNERSHIP

## Success Stories from the Field

### Medalcraft Mint Inc.

#### Wisconsin Manufacturing Extension Partnership

#### The Medalcraft Mint Diversifies Sales with Help from WMEP and Eureka! Winning Ways

##### Client Profile:

Medalcraft Mint, Inc., a private mint founded in 1948, specializes in minted awards, gifts and commemoratives. The company employs 94 people at its facility in Green Bay, Wisconsin.

##### Situation:

Medalcraft Mint's primary products were die struck coins, medals and medallions produced by a very labor-intensive process, and the plant was operating at only 50 percent capacity. The company needed to upgrade its production processes, invest in new technology, and grow its business in highly competitive and diverse markets dominated by Chinese manufacturers. Medalcraft Mint's President, Jerry Moran, read an article about the Wisconsin Manufacturing Extension Partnership's (WMEP), a NIST MEP network affiliate, focus on assisting small and midsize manufacturers through the delivery of a range of services and training, and contacted WMEP for help.

##### Solution:

WMEP's manufacturing specialist Davies Wakefield introduced Medalcraft employees to Lean Overview Training. The training helped improve Medalcraft's processes and gave employees a picture of how Lean methods could help improve other aspects of product flow. In addition, the company engaged WMEP to develop a Value Stream Map to improve product and office work flow. The company continued to improve internal processes by implementing a new Customer Relationship Management System (CRM) and other Lean initiatives. Moran knew the company's biggest challenges were strategic and realized that he needed to take Lean to the next level. In short, Medalcraft needed to re-create itself in order to grow. Through his work with WMEP, Moran learned about the principles of Next Generation Manufacturing and understood that WMEP had the capacity and depth of experience to help his company resolve the strategic issues it faced. With WMEP's assistance, Medalcraft successfully implemented processes for continuous improvement on the shop floor and within the office, but needed a methodology to focus on the how to grow demand. WMEP's Mike Quill introduced Medalcraft to a program that helps businesses grow and diversify, called Eureka! Winning Ways, a scientific method for accelerating profitable growth. Focusing on the customer, this program provides a framework for developing products that customers want based on customer feedback and market research. The process consists of three steps: Idea Engineering, Idea Validation, and Rapid Commercialization. In Idea Engineering, the team focuses on a specific customer group to identify the 'Overt Benefit' of the product. "Basically, you answer the question, "What's in it for me?", said Moran. "Then, you have to prove you can deliver that benefit." The Medalcraft Eureka! team (consisting of employees from across the company), reviewed internal capabilities and realized the first step would be to explore new markets for existing products. The team learned that nearly \$500 million is spent on 'challenge coins' each year. The coins, bearing the logos of the issuer, are given as awards and recognition, and are a very popular collectible. Through the Trailblazer process of intensive market

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research and gathering customer feedback on a set timetable, employees learned that agencies of the Federal government are a primary market for these coins. As team members found, the first step in working with the federal government is to get a General Services Administration (GSA) number, and the second step is to identify the individuals with purchasing power in each agency. A relationship had to be built with each purchaser, and this issue was quickly resolved by hiring a former distributor based in the Washington, D.C. area to build and maintain these customer relationships. Additional research found that customers needed an easy way to order product, so in response, Medalcraft's web site was re-built to facilitate the selection and ordering process, particularly for government purchases. As a result of this one effort, Medalcraft has become a preferred supplier for many federal agencies. For example, some federal agencies have a requirement that they must 'buy American.' Marketing this aspect of their product earned Medalcraft the 'single source' designation from the Secret Service. WMEP's Don McDonald suggested Medalcraft apply for the federal Trade Adjustment Assistance (TAA) program. The program assists companies negatively affected by import competition. With McDonald's help, Medalcraft completed the application process and received matching funds for continued operational and strategic improvements. Medalcraft has built on their success in supplying 'challenge coins' to the federal government, and now supply a range of items, including plaques, awards, clothing items and other recognition products. In addition, Medalcraft is the single source for the third consecutive Presidential Inaugural Medallion. "We've leveraged our 'Made in the USA' label by investing in new technology that makes us competitive with the Chinese manufacturers," said Moran. "With our new manufacturing technology, we can turn around orders for lapel pins in 24 hours. We used to be a job shop, now we mass-produce similar product for a variety of customers in a wide range of markets."

#### **Results:**

- \* Preferred provider for many Federal agencies.
- \* Achieved a more competitive and profitable position.

#### **Testimonial:**

"WMEP has demonstrated its expertise in both tactical and strategic solutions in my business. I look forward to working with WMEP as I continue to build Medalcraft into an innovative, nimble business that can out-perform the competition."

Jerry Moran, President/CEO